



City of Gustavus
P.O. Box 1
Gustavus, AK 99826
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SPECIAL MEETING PUBLIC PACKET

June 17, 2015



GUSTAVUS CITY COUNCIL

SPECIAL MEETING

JUNE 17TH, 2015

9:00 AM CITY HALL

Gustavus City Council:

Mayor (Seat D):

Mike Taylor

mike.taylor@gustavus-ak.gov

mayor@gustavus-ak.gov

Term Expires 2017

Vice Mayor (Seat E):

Tim Sunday

tim.sunday@gustavus-ak.gov

Term Expires 2015

Council Member (Seat A):

Lori Trummer

lori.trummer@gustavus-ak.gov

Term Expires 2016

Council Member (Seat B):

Jeff Irwin

jeff.irwin@gustavus-ak.gov

Term Expires 2016

Council Member (Seat C):

Vacant

Term Expires 2017

Council Member (Seat F):

Tania Lewis

tania.lewis@gustavus-ak.gov

Term Expires 2015

Council Member (Seat G):

Greg Streveler

greg.streveler@gustavus-ak.gov

Term Expires 2015

Gustavus City Hall:

City Clerk:

Lori Ewing

lori.ewing@gustavus-ak.gov

City Treasurer:

Noël Farevaag

noel.farevaag@gustavus-ak.gov

AGENDA

1. **Call to Order**
2. **Roll Call**
3. **Approval of Minutes**
4. **Mayor's Request for Agenda Changes**
5. **Committee Reports**
6. **Public Comment on Non-agenda Items Only**
7. **Consent Agenda:**
 - A. **CY15-20 Resolution Updating the City's Employee Benefits Policy**
8. **Ordinance for Public Hearing:**
 - A. **FY15-28NCO Providing for the Amendment of the Roads Budget for the Fiscal Year 2015**
9. **Unfinished Business**
10. **New Business:**
 - A. **Appointment of Jon Howell to vacated City Council Seat C**
11. **Staff Reports**
12. **City Council Reports:**
 - A. **Treasurer's Report**
 - B. **City Clerk's Report**
 - C. **Mayor's Report**
13. **City Council Questions and Comments**
14. **Public Comments on Non-Agenda Items**
15. **Executive Session**
16. **Adjournment**

Item No. 1 Call to Order

Item No. 2 Roll Call

Item No. 3 Approval of Minutes

Item No. 4 Mayor's Request for Agenda Changes:

A. Remove Item 10A from the Agenda

This is the opportunity for the Mayor to request any changes or revisions to the agenda. **NO CHANGES INVOLVING THE CITY FINANCES ARE TO BE MADE.** If there are any changes since the first publication of the agenda, those changes should be announced and approved.

★After General Consent (or Motion, Second and Vote) Mayor announces "the Agenda is set".

Item No. 5 Committee Reports

Item No. 6 Public Comment on Non-Agenda Items Only

This is the second opportunity for the public to comment on **non-agenda items only.**

Item No. 7 Consent Agenda (Mayor Taylor recommends publication)

A. CY15-20 Resolution Updating the City's Employee Benefits Policy

**CITY OF GUSTAVUS, ALASKA
RESOLUTION CY15-20**

A RESOLUTION UPDATING THE CITY'S BENEFITS POLICY

WHEREAS, the City of Gustavus Benefits Policy provides for partial reimbursement of Health Insurance costs for qualifying Regular Employees, and;

WHEREAS, the benefits policy adopted in 2012 provided for a reimbursement of up to \$500 per month for eligible employees, and;

WHEREAS, the cost of health insurance on the Affordable Care Act online market place increased by 31% as of January 2015, and;

WHEREAS, the City of Gustavus continues to encourage eligible employees to be covered by a health insurance policy, and;

WHEREAS, the Benefits Policy adopted in 2012 referred to the City Clerk as the point of contact for payroll, but that function is now done by the City Treasurer; and, now therefore, be it

RESOLVED that the City of Gustavus amends its Benefits Policy to increase the maximum health insurance reimbursement from \$500 to \$655 per month, as indicated in the attached updated Benefits Policy, effective July 1, 2015. The updated Benefits Policy also changes references from City Clerk to City Treasurer as the payroll officer.

Mike Taylor, Mayor

Attest: Lori Ewing, City Clerk

CITY OF GUSTAVUS POLICIES AND PROCEDURES

Title: City of Gustavus Benefits Policy for Eligible Regular Position Employees Effective July 1, 2015

BACKGROUND:

By Ordinance FY2012-13 adopted April 12, 2012, the Gustavus City Council approved a major revision to Title 3, Personnel. Revised Title 3 provides that it is the policy of the City of Gustavus to establish and amend, from time to time, by resolution, a written benefits policy, which describes various non-wage compensations that the City provides to employees in addition to wages or salaries. [CoG 3.05.01]

Consistent with the provisions of revised Title 3, the City Council adopted by Resolution 2012-17 this "City of Gustavus Benefits Policy," which applies to all eligible Regular Position employees. This updated policy, effective July 1, 2015, replaces all previous City of Gustavus benefits and leave policies. CoG 3.04.01(b) (1)]

I. Health Insurance Premium Reimbursement

This benefit is provided to all Regular Position employees in proportion to hours worked each month, according to the following provisions:

POLICY:

The City of Gustavus will reimburse the health insurance premiums paid by qualifying employees in a gross amount of up to \$655 per month. To qualify for participation in this program, the employee must be (1) a Regular Position employee who (2) submits valid documentation verifying that he or she has paid amounts toward the premium required by an individual or family insurance plan under which the employee is insured. The City will not reimburse health insurance premium expenses incurred under insurance policies that are part of another employer-sponsored or group insurance plan, nor policies that do not specifically insure the employee. The City will not reimburse health insurance premium expenses incurred by any person or entity other than the employee.

PROCEDURE:

(A) On a monthly basis, the City Treasurer will make a disbursement in an amount that is the lesser of \$655 or the amount actually paid by the qualifying employee in that month, to reimburse that employee's health insurance premium payments. All reimbursement amounts are subject to tax reporting and withholding and the employee will be paid a net amount.

(B) To receive reimbursement, the employee must provide proof to the City Treasurer quarterly of (1) an active and current individual or family health insurance policy under which the employee is insured and (2) the amounts actually paid by the employee towards the premium for which the employee seeks reimbursement. The City will not make advance payments. Employees who have not actually made a health insurance premium payment but merely anticipate doing so do not qualify for this benefit.

(C) The maximum obligation of the City under this policy, per qualifying employee, is \$655 per month, or the premium amount actually paid by the employee, whichever is less. Any premium amount exceeding \$655/month (less withholding) will be the responsibility of the employee.

(D) This benefit will commence upon satisfactory completion of the probationary period.

(E) Employees receiving a benefit under this section must notify the City before the next pay period if they become ineligible for coverage under this policy. Failure to do so will result in the City recovering the amount of any improper reimbursements from the employee's future paychecks.

II. Deferred Compensation Program, a 457(b) Retirement Savings Plan

The City participates in a 457(b) deferred compensation program with Lincoln Life. A 457(b) plan is a type of tax-advantaged deferred-compensation retirement plan that is available to state or local governments and their agencies. The employer provides the plan and the employee defers compensation into it on a pre-tax basis. Participation is voluntary. The participant contributes a flat amount of his/her choice each month, which is withdrawn from the monthly paycheck. Regular Position employees may contact the City Treasurer for more information.

III. Paid Holidays [CoG 3.05.02]

The City of Gustavus observes the following eight holidays:

1. New Year's Day (January 1)
2. President's Day (third Monday in February)
3. Memorial Day (last Monday in May)
4. Independence Day (July 4)
5. Labor Day (first Monday in September)
6. Thanksgiving (fourth Thursday in November)
7. Day after Thanksgiving
8. Christmas (December 25).

- The City will grant an eight-hour day of paid holiday time to all Regular Position employees, both full-time and part-time.
- Holiday pay will be calculated based on the employee's straight-time pay rate as of the date of the holiday. Employees will not receive additional compensation when a recognized holiday falls on a day an employee is on Paid Time Off. Employees will not receive compensation for a holiday that occurs on a day that the employee is on an unpaid leave of absence.

- This benefit will commence upon satisfactory completion of the probationary period.
- See Gustavus Municipal Code 3.05.02 for the application of the policy to Monday through Friday and Tuesday through Saturday work weeks.

IV. Paid Time Off (PTO)

The City of Gustavus recognizes that employees have diverse needs for time off from work. PTO will cover all forms of personal, vacation, and sick leave. This benefit will be granted to all Regular Position employees in proportion to the hours worked each month.

Paid Time Off is a provision for time taken off from an employee's regularly scheduled work hours. PTO may not be applied to days and hours the employee is not scheduled to work. With the exception of the permitted 60-hour carry-over of unused PTO hours at the start of a new fiscal year, PTO not taken during regularly scheduled work hours will be forfeited. Unused accrued PTO is cashed out only when an employee terminates.

- An employee's annual PTO benefit accrues in accordance with employment longevity as shown in the table below. Accrual rates for a new longevity category begin on the first day of the month of the employment anniversary.
- Annual PTO benefit accruals begin July 1 of each year and end June 30 of each year.
- A maximum of 120 hours of PTO may be carried over into the next fiscal year.
- Accrued PTO hours beyond 120 at the end of the fiscal year will be forfeited.
- For new hires, PTO will accrue retroactive to the date of hire if and when the employee satisfactorily completes the probationary period.
- An employee must receive approval from his/her supervisor for planned PTO. Approval of PTO is contingent upon the needs of the department/facility. In cases of emergency or illness, an employee must let his/her supervisor know about the absence as soon as possible.
- Upon termination an employee shall be paid the value at the time of cash-out of remaining PTO.
- PTO must be used in full before an employee may request unpaid leave.

Longevity Categories

PTO is accrued on an hourly basis, and is credited on the monthly pay check in proportion to the actual straight-time hours worked that month. Accruals are based on longevity, that is, the number of years employed in a Regular Position with the City of Gustavus. The following table depicts Annual PTO accrual for a fulltime Regular Position, 2,080 hours/year.

Longevity	Annual PTO Accrual, Fulltime equivalent	Accrual Rate PTO hours/actual straight-time hours worked*
Less than two (2) years	80 hours	0.0413223
Two (2) through five (5) years	120 hours	0.0632911
Six (6) or greater years	160 hours	0.0862068

*“Actual number of straight-time hours worked” means the total straight- time paid hours, minus holiday hours minus annual PTO accrual hours. (Overtime hours do not count toward PTO accrual.)

Formula

- Accrued PTO hours on a monthly (or any) pay check = (Actual number of straight-time hours worked) (accrual rate)
- The same accrual rate works for any employee in a given Longevity Category. Accrual rate = annual PTO accrual allotment divided by (2080 - 64 holiday hours – annual PTO accrual allotment)

V. The City of Gustavus does not offer Compensatory Time Off.

Item No. 8 Ordinance for Public Hearing:

A. FY15-28NCO Providing for the Amendment of the Roads budget for the Fiscal Year 2015

**CITY OF GUSTAVUS, ALASKA
ORDINANCE FY15-28NCO**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF
THE ROAD MAINTENANCE BUDGET FOR FISCAL YEAR 2015**

BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:

Section 1. Classification. This is a **Non-Code Ordinance**

Section 2. In Fiscal Year 2015 the following City held account balance and budget transfers to be made for reasons stated in each transfer, with NCO's and Resolutions notated as appropriate.

Section 3. For the current fiscal year the budget is amended to reflect the changed estimates as follows:

	Account Balance*	Amended balance	Change
<i>*Approximate, this is a dynamic value.</i>			
ACCOUNTS			
AMLIP – Road Maintenance	\$ 391,286.21	\$ 467,657.93	\$76,371.72
<i>*Two FY16 Road maintenance payments (PILT & Secure Rural Schools) received in FY15, for \$6223.04 and \$70,148.68 for a total of \$76,371.72 transferred from FNBA to AMLIP Road Maintenance for use in FY16 – will be transferred back into FY16 budget in FY16.</i>			
FNBA – Checking account	\$ 208,924.44	\$ 132,552.72	\$ 76,371.72
AMLIP – Road Maintenance	\$ 467,657.93	\$ 465,407.93	\$ 2,250.00
<i>*FY15 Road maintenance does not have sufficient funds to cover necessary maintenance for the remainder of FY15- funds transferred into FY15 road maintenance budget</i>			

Total Change in Account Balances			\$ 2,250.00
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Income	Original Budget	Amended Budget	Change
Road Maintenance:	\$ 74,506.04	\$ 76,756.04	\$ 2,250.00

Total Change in Income			\$ 2,250.00
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Section 4. The City Held accounts and budgets are hereby amended as indicated.

Section 5. Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

DATE INTRODUCED: June 8, 2015

DATE OF PUBLIC HEARING: June 17, 2015

PASSED and **APPROVED** by the Gustavus City Council this ____ day of _____, 2015.

Mike Taylor, Mayor

Attest: Noel Farevaag, City Treasurer

Attest: Lori Ewing, City Clerk

Item No. 9 Unfinished Business

Item No. 10. New Business:

A. Appointment of Jon Howell to vacated City Council Seat C

Item No. 11 Staff Reports

Item No. 12 City Council Reports

Item No. 13 City Council Questions and Comments

Item No. 14 Public Comment on Non-agenda Items Only

This is the second opportunity for the public to comment on **non-agenda items only.**

Item No. 15 Executive Session

Item No. 16 Adjournment